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**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

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In re:	:	Chapter 11
	:	
DELPHI CORPORATION, <i>et al.</i> ,	:	Case No. 05-44481 (RDD)
	:	
Debtors.	:	(Jointly Administered)
	:	
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**SUPPLEMENTAL RESPONSE OF FURUKAWA ELECTRIC NORTH
AMERICA APD, INC. AND FURUKAWA ELECTRIC COMPANY, LTD. TO
DEBTORS' STATEMENT OF DISPUTED ISSUES WITH RESPECT TO
PROOF OF CLAIM NO. 12347 ("FURUKAWA'S SUPPLEMENTAL RESPONSE")**

Furukawa Electric North America APD, Inc. and Furukawa Electric Company
("Furukawa") hereby submit this Supplemental Response to the above-captioned Debtors'
Statement of Disputed Issues with Respect to Proof of Claim No. 12347, as permitted by
paragraph 9(e) of the Court's "Claim Objection Procedures Order."

1. On July 28, 2006, Furukawa filed a timely claim (Claim No. 12347) in the
Debtors' bankruptcy case for damages caused by the Debtors' wrongful termination of contracts
between the parties regarding the production and sale of a product known as the "Epsilon
Sensor."

2. On October 31, 2006, the Debtors filed a motion captioned: Debtors' (I) Third Omnibus Objection (Substantive) Pursuant to 11 U.S.C. §502(b) and Fed. R. Bankr. P. 3006 to Certain (A) Claims with Insufficient Documentation, (B) Claims Unsubstantiated by Debtors' Books and Records, and (C) Claims Subject to Modification and (II) Motion to Estimate Contingent and Unliquidated Claims Pursuant to 11 U.S.C. §502(c) (the "Third Omnibus Claims Objection").

3. In the Third Omnibus Claims Objection, the Debtors raised a single objection to Furukawa's Claim No. 12347, namely, that the claim was an "unsubstantiated claim" that, according to the Third Omnibus Claims Objection, meant that the claim "asserts liabilities or dollar amounts that the Debtors have determined are not owing pursuant to the Debtors' books and records."

4. This "books and records" objection was the only objection made by the Debtors to Furukawa's Claim No. 12347.

5. On November 22, 2006, Furukawa filed a timely response to the Debtors' Objection, captioned: "Objection of Furukawa Electric North America APD, Inc. and Furukawa Electric Co. to Debtors' Third Omnibus Claims Objection" (hereafter "Furukawa Response"). In the Furukawa Response, Furukawa asserted that the Debtors' "books and records" objection lacked merit because Claim No. 12347, being a claim for "cancellation damages," is the type of claim that "would not typically be reflected in the books and records of the person or entity who owes the indebtedness." Furukawa's Response is annexed hereto as Exhibit "1."

6. On March 6, 2007, the Debtors filed a "Notice of Claims Objection Hearing with Respect to Debtors' Objection to Proof of Claim No. 12347 (Furukawa Electric North America APD, Inc.)." The Notice of Claims Objection Hearing indicated that there will

be an "evidentiary hearing" to resolve the Debtors' "books and records" objection to the claim on May 10, 2007 at 10:00 a.m. (the "Scheduled Contested Claims Hearing").

7. On March 13, 2007, the Debtors filed a "Statement of Disputed Issues with respect to Claim No. 12347 ("Statement of Disputed Issues – Furukawa")." In the Statement of Disputed Issues, the Debtors asserted that, rather than proceeding on the narrow "books and records" objection, the Debtors instead intended to submit for decision on May 10, 2007, allegations that Furukawa breached the Epsilon Sensor contracts upon which Claim No. 12347 is based, and also intended to assert affirmative claims of its own for \$25 million in damages against Furukawa.

8. On March 23, 2007, Furukawa filed a motion with this Court captioned: "Motion of Furukawa Electric North America APD and Furukawa Electric Co., Ltd. for (A) Abstention pursuant to 28 U.S.C. §1334(c); (B) Relief from the Automatic Stay Pursuant to 11 U.S.C. §362(d); and (C) An Order Limiting the Scope of the Third Omnibus Claim Objection Hearing ("Furukawa's Abstention Motion")."

9. In Furukawa's Abstention Motion, Furukawa asserted (1) that the claims objection hearing should be limited in scope to the Debtors' "books and records" objection, (2) that the Court should abstain from hearing the breach of contract claims asserted by the Debtors in favor of allowing those claims to proceed in state court, where the Debtors filed previously them, and (3) that the Court should grant relief from stay to permit Furukawa to assert Claim No. 12347 as a counterclaim in the previously-filed state court proceeding.

10. The Court has not yet ruled on Furukawa's Abstention Motion. Pending a ruling on Furukawa's Abstention Motion, Furukawa's Supplement Response will be limited in scope to the objection raised in the Debtors' Third Omnibus Objection.

11. For the reasons indicated in the accompanying Affidavit of Hirotugu Nagata, the claim set forth in Claim No. 12347 has never previously been invoiced by Furukawa to the Debtors, nor otherwise presented for payment by Furukawa to the Debtors, and therefore one would not expect the claim amounts to be reflected in the Debtors' books and records. See Affidavit of Hirotugu Nagata, annexed hereto as Exhibit "2."

12. The fact that Claim No. 12347 is not reflected in the Debtors' books and records is no basis for disallowance of the claim.

Respectfully submitted,

Dated: March 30, 2007

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**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re

DELPHI CORPORATION, *et al.*,

Debtors.

Chapter 11

Case No. 05-44481 RDD

(Jointly Administered)

CERTIFICATE OF SERVICE

Gerard DiConza, being duly admitted to practice before the Southern District of New York, certifies that on the 30th day of March 2007, I caused service of the Supplemental Response of Furukawa Electric North America APD, Inc. and Furukawa Electric Company to the above-captioned Debtors' Third Omnibus Claim Objections by regular mail, facsimile and email on the parties listed below:

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Dated: March 30, 2007
New York, New York

/s/ Gerard DiConza
Gerard DiConza (GD 0890)

EXHIBIT “1”

FURUKAWA RESPONSE

EXHIBIT “2”

AFFIDAVIT OF HIROTSUGU NAGATA